STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Office of Conservation and Coastal Lands Honolulu, Hawaii

REF:OCCL:DH CDUA: OA-3575

Acceptance Date: November 17, 2010 180-Day Exp. Date: May 16, 2011

March 24, 2011

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

REGARDING: Consolidation and Resubdivision

LANDOWNER: Gil-Olsen Joint Venture, C/O David Franzel, Acting Portfolio Manager,

707 Richards Street, Suite 100, Honolulu, Hawaii, 96813

AGENT: Henry Eng, HELPS LLC, 237 Kaalawai Place, Honolulu, Hawaii, 96816

LOCATION: Honouliuli, Ewa District, Island of Oahu

TMK: (1) 9-2-05:24

PROJECT AREA: 1,265.354 Acres

SUBZONE: Resource

DESCRIPTION OF AREA/CURRENT USE:

The 1,265.354 acre parcel straddles the summit and eastern slope of the Waianae Range. It is part of the Honouliuli Forest Reserve, and is bounded on the Waianae side by the Nanakuli and Lualualei Forest Reserves. The southern half of the parcel contains numerous telecommunications facilities, while the back half is undeveloped. The proposed action will not have any impact on traditional and customary Native Hawaiian rights exercised in the area. Existing utilities include electric, water, telephone, drainage, and sewage. Access to the subject parcel is via Kikaha Street to Umena Street to Palehua Road. A flora and fauna study was not conducted as this is an administrative action only.

The subject parcel is located in the State Land Use (SLU) Conservation District, Resource Subzone (Exhibit 1).

PROPOSED USE:

The CDUA is part of the Gil-Olson Joint Venture's overall plan intended to achieve the natural resource protection required by Campbell Estate when the land was sold. When Campbell Estate offered the Palehua lands (consisting of Honouliuli Preserve, Conservation District lands, Kahe, and Palehua Agricultural District parcels, and smaller lots) for sale the terms were that the land would be sold in bulk to one buyer. The buyer would be firmly committed to protecting the area's special resources in furtherance of the objectives of the Conservation District.

The Trust for Public Lands (TPL) was interested but lacked the funds to complete the purchase with Campbell Estate. The Gill Family was interested but did not have adequate resources to purchase all of the Palehua Lands. Ed Olson was approached and was agreeable to assist in the purchase as a partner with the Gill Family, and to stand behind and back up the TPL financing. The Gil-Olson Joint Venture planned as step one that they and the TPL would purchase the Palehua lands (completed September 2010). This was the first step to achieve the natural resource protection required by Campbell Estate.

Step two of the plan was to transfer 3,592 acres of land located in the Honouliuli Preserve to the DLNR, Division of Forestry and Wildlife (DOFAW) with the financial assistance of the TPL, Gill Family, and Ed Olson. However, a CDUA needed to be submitted, processed, and approved by the Board of Land and Natural Resources (BLNR) to consolidate and re-subdivide the subject parcel into two lots in order to transfer the land to the DOFAW. The applicant submitted CDUA OA-3479 (for Subject Parcel TMK: (1) 9-2-5:013) which was approved by the BLNR on November 19, 2008 to facilitate the transfer of land. On March 31, 2010, the TPL transferred land located in the Honouliuli Preserve to the DOFAW.

The last stage of the plan was to subdivide the remaining subject parcel (consisting of 1,265.354 acres) into two subject parcels; one lot will contain 647.408 acres and the second lot will contain 617.946 acres (**Exhibit 2**). The subject parcels will be merged with the Kahe and Palehua lots (located in the Agricultural District) which are owned separately by the Gill Family and Ed Olsen to promote natural resource protection goals. This is the final step in the overall plan intended to achieve the natural resource protection required by Campbell Estate. There are a number of smaller lots located within the subject parcel that are excluded from the proposed action.

The OCCL notes the CDUA qualifies as a public purpose due to the extenuating circumstance in which the Gil-Olson Joint Venture transferred land in the Honouliuli Preserve to the DOFAW.

SUMMARY OF COMMENTS:

The Department of Land and Natural Resources (DLNR), Office of Conservation and Coastal Lands (OCCL) referred the application to the following agencies: DLNR's Oahu District Land Office, Engineering Division, Historic Preservation Division (HPD), Conservation and Resources Enforcement (DOCARE), and State Parks Division; City and County of Honolulu -

Department of Planning and Permitting; Department of Health's (DOH) - Office of Environmental Quality Control (OEQC), and Environmental Planning Office (OEQC); Office of Hawaiian Affairs (OHA); Makakilo/Kapolei/Honokai Hale Neighborhood Board; and Kapaolei Public Library for review and comment. The following agencies responded:

Engineering Division

We do not have any objections to the proposed consolidation and resubdivision of Lots 16892 (Map 1309), 17258 (Map 1322), and 18718 (Map 1468) into Lots 1100 and 11001.

<u>Division on Conservation and Resources Enforcement</u>

No comment.

Oahu District Land Office

No comment.

Historic Preservation Division

This is a paper subdivision with no planned alterations to the land. The project will have no effect on historic properties located within the subject parcels.

Office of Hawaiian Affairs

OHA has no objections to the proposed action. OHA will rely on assurances within the notice that it will not have any impact on traditional and customary Native Hawaiian rights exercised in the area. Overall, OHA applauds the efforts of all involved, including the TPL, the Gill Family, and Mr. Olson, in this monumental effort to preserve these lands and their resources for current and future generations.

The applicant acknowledges the comments for the CDUA from the Engineering Division, DOCARE, ODLO, HPD, and OHA.

DOH - Clean Water Branch

The DOH notes any proposed impacts to state waters will require permits (Hawaii Administrative Rules (HAR) Section 11-54-1.1 Antidegradtion Policy, HAR Section 11-54-3 Designated Uses, HAR Section 11-54-4 through 11-54-8 Water Quality Criteria, and National Pollutant Discharge Elimination System (NPDES) General and/or Individual Permit(s).

OCCL comment: The letter was considered late. However, staff notes this is an administrative action only and therefore will not impact state waters.

ANALYSIS:

Following review and acceptance for processing, the Applicant was notified by letter dated December 8, 2010, that:

1. The proposed consolidation and resubdivision is an identified land use within the Conservation District, pursuant to Hawaii Administrative Rules (HAR), Chapter

- 13-5, Section 13-5-22, identified land uses in the Protective subzone, SUBDIVISION OR CONSOLIDATION OF PROPERTY, D-1, "subdivision of property into two or more legal lots of record which serves a public purpose and is consistent with the objectives of the subzone;" please be advised, however, that this finding does not constitute approval of the proposal;
- 2. Pursuant to HAR, Section 13-5-40, HEARINGS, a Public Hearing will not be required; and
- 3. In conformance with Chapter 343, Hawaii Revised Statutes (HRS), as amended, and HAR, Title 11, Chapter 200, Environmental Impact Statement Rules, Subchapter 8, Section 11-200-8-(1), the proposed use is exempt.

§13-5-30 CRITERIA:

The following discussion evaluates the merits of the proposed land use by applying the criteria established in HAR §13-5-30.

1) The proposed use is consistent with the purpose of the Conservation District.

The objective of the Conservation District is to conserve, protect and preserve the important natural resources of the State through appropriate management and use to promote their long-term sustainability and the public health, safety and welfare.

Staff is of the opinion the proposed consolidation and re-subdivision is consistent with the purpose of the Conservation District as it preserves the important natural resources of the area. The subject parcel will be split into two parcels however this is an administrative action only.

2) The proposed land use is consistent with the objectives of the Subzone of the land on which the use will occur.

The objective of the Resource subzone is to develop, with proper management, areas to ensure sustained use of the natural resources of those areas.

The proposed action is an administrative action only. The property boundary lines will be redrawn to indicate the subdivision. The proposed action is an identified use in the Resource subzone. The natural resources on the property will not be affected nor will it inhibit the use of the natural resources of the public.

3) The proposed land use complies with the provisions and guidelines contained in Chapter 205A, HRS entitled "Coastal Zone Management", where applicable.

The proposed consolidation and re-subdivision will not physically alter the property. Thus the proposed land use will remain consistent with the provisions and guidelines of HRS, Chapter 205A.

- 4) The proposed land use will not cause substantial adverse impact to existing natural resources within the surrounding area, community or region.
 - The proposed consolidation and re-subdivision of the subject parcel will not result in any physical changes or improvements to the property. The separation of one lot into two lots will benefit the natural resources of the area because the intent is to maintain the lots in their natural state. Any future land uses will require a CDUA, and/or an environmental assessment or impact statement where the proposed land use would be addressed.
- 5) The proposed land use, including buildings, structures and facilities, shall be compatible with the locality and surrounding areas, appropriate to the physical conditions and capabilities of the specific parcel or parcels.
 - The existing structures and facilities will remain as is and will contribute to the open space characteristics of the surrounding area. The proposed consolidation and resubdivision will not impact the physical conditions and capabilities of the subject parcel.
- 6) The existing physical and environmental aspects of the land, such as natural beauty and open space characteristics, will be preserved or improved upon, whichever is applicable.
 - The proposed consolidation and re-subdivision is an administrative action only and will separate the 1,265.354 acre subject parcel into two parcels. Developed portions will remain unchanged. The applicant intends to preserve the undeveloped portion in its natural state, thus contributing to the natural beauty and open space characteristics of the area.
- 7) Subdivision of land will not be utilized to increase the intensity of land uses in the Conservation District.
 - The proposal will not increase the intensity of land uses in the Conservation District as this is an administrative action only. Developed portions will remain unchanged. Staff is of the opinion the subdivision action is not being utilized to increase the intensity of land uses in the Conservation District.
- 8) The proposed land use will not be materially detrimental to the public health, safety and welfare.
 - Staff notes the proposed consolidation and re-subdivision is an administrative action only and will not be materially detrimental to public health, safety and welfare.

DISCUSSION:

Staff notes much departmental appreciation goes to the TPL, Gill Family, and Ed Olson for the transfer of Honouliuli Preserve land to the DOFAW.

- CDUA: OA-3575
- 4. In issuing this permit, the Department has relied on the information and data that the applicant has provided in connection with this permit application. If, subsequent to the issuance of this permit, such information and data prove to be false, incomplete or inaccurate, this permit may be modified, suspended or revoked, in whole or in part, and/or the Department may, in addition, institute appropriate legal proceedings;
- 5. The applicant understands and agrees that the permit does not convey any vested right(s) or exclusive privilege;
- 6. Where any interference, nuisance, or harm may be caused, or hazard established by the use, the applicant shall be required to take measures to minimize or eliminate the interference, nuisance, harm, or hazard;
- 7. The applicant shall obtain the approval for the consolidation and resubdivision through the applicable County department, and file a final consolidation plan with OCCL;
- 8. Other terms and conditions as may be prescribed by the Chairperson; and
- 9. Failure to comply with any of these conditions shall render this Conservation District Use Permit null and void.

Respectfully submitted,

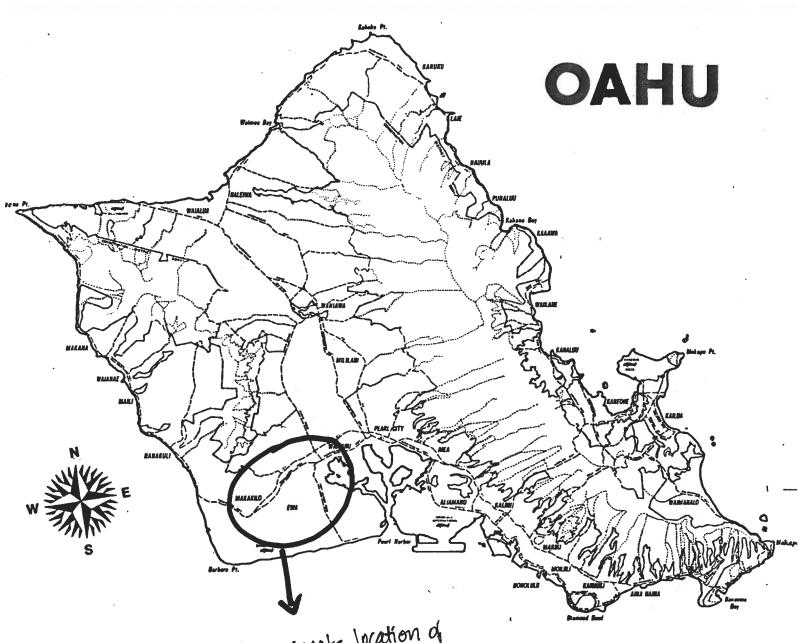
Dawn T. Hegger Senior Staff Planner

Approved for submittal:

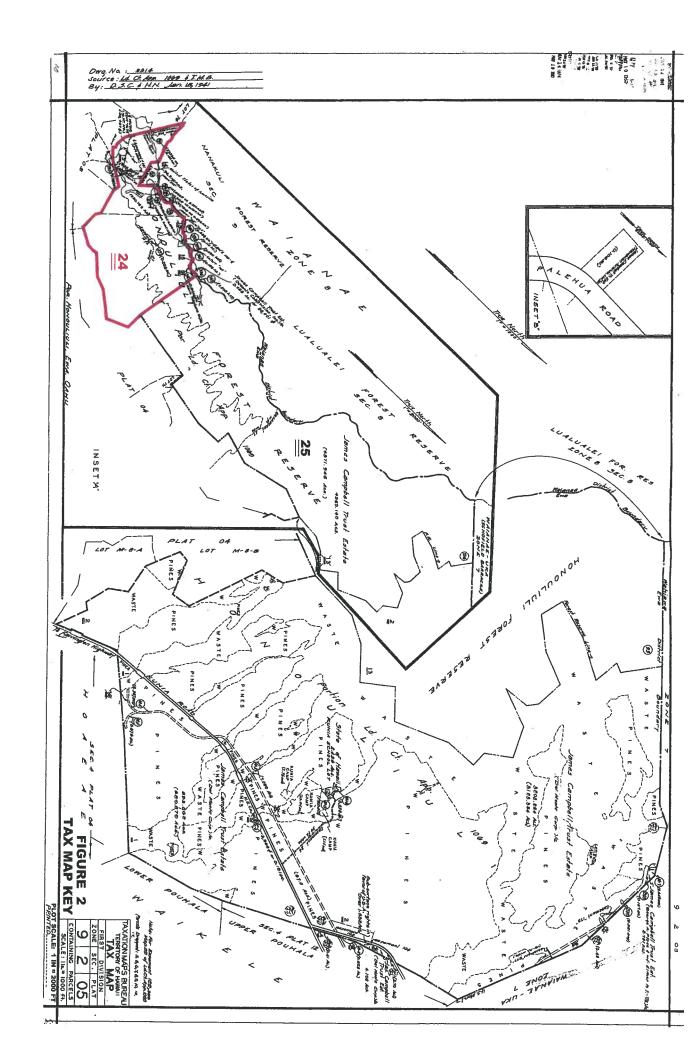
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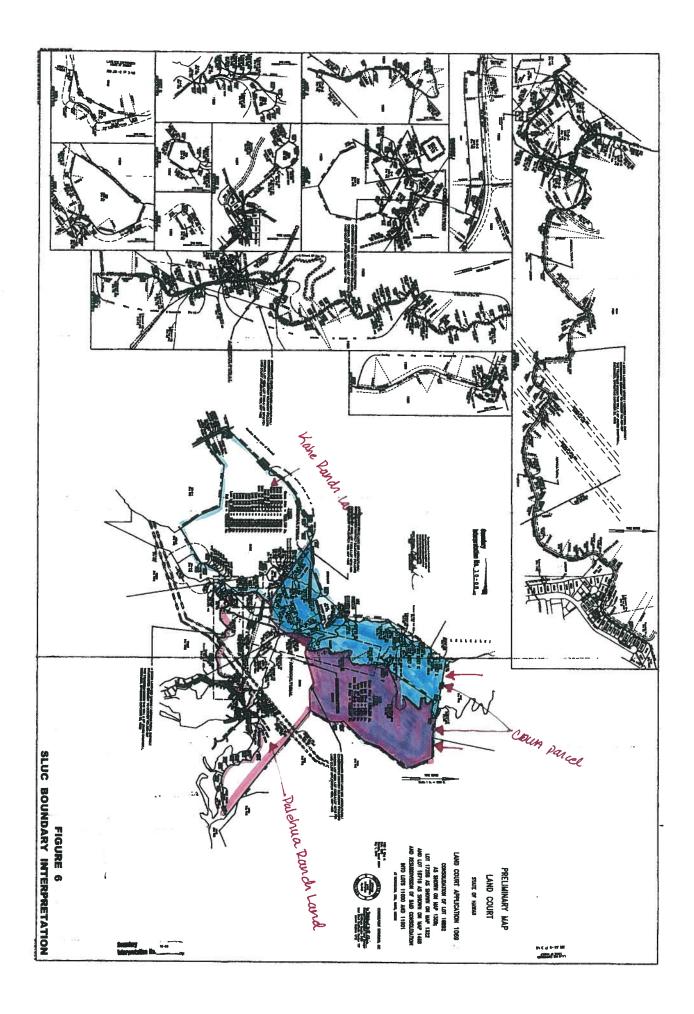
William J. Aila Jr., Chairperson

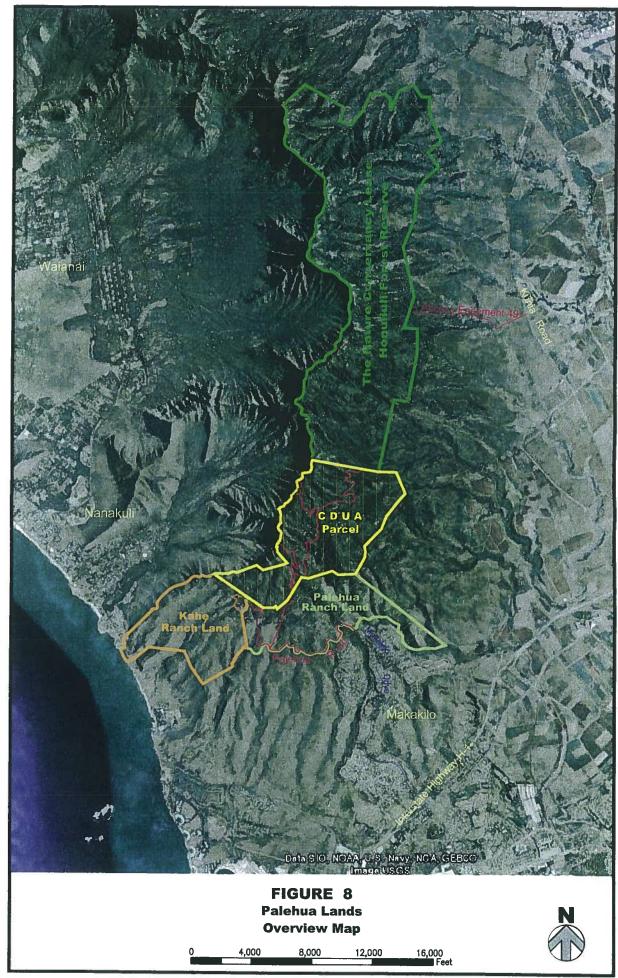
Board of Land and Natural Resources

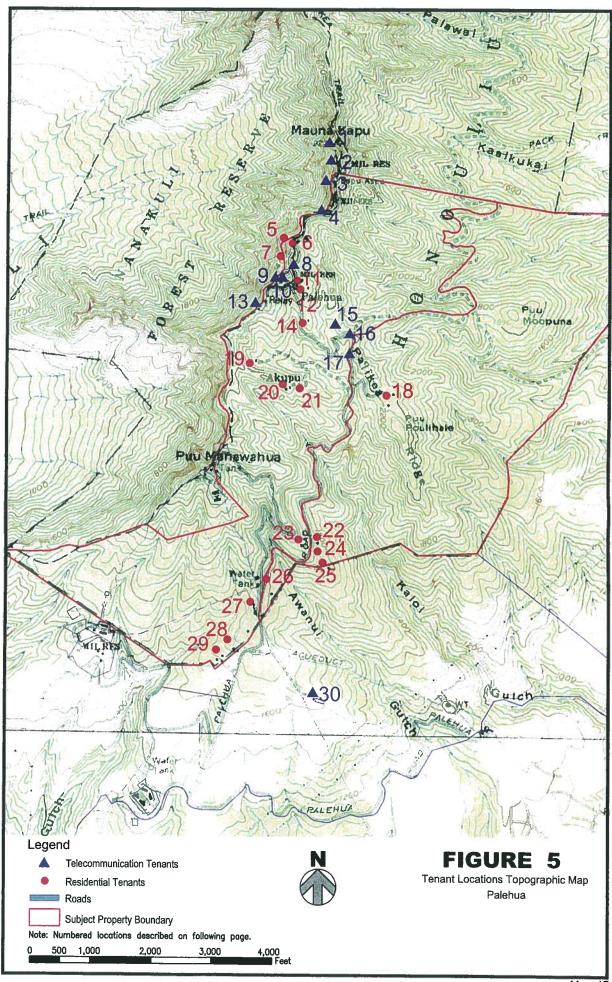


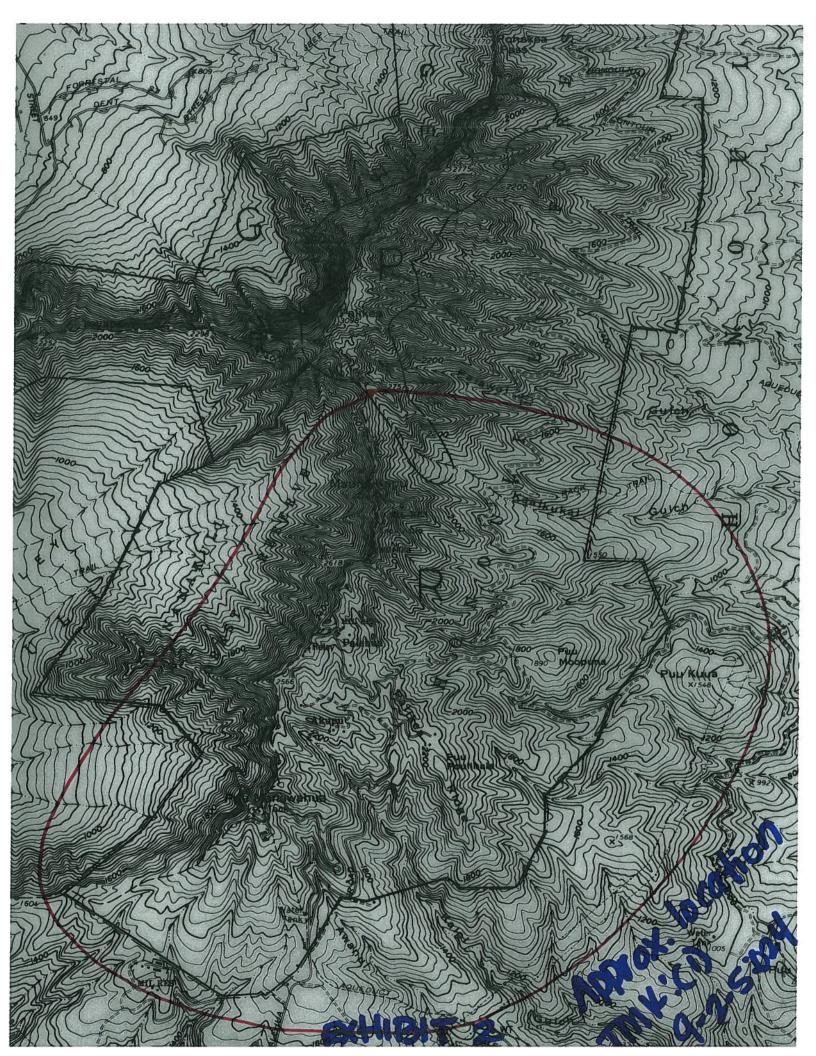
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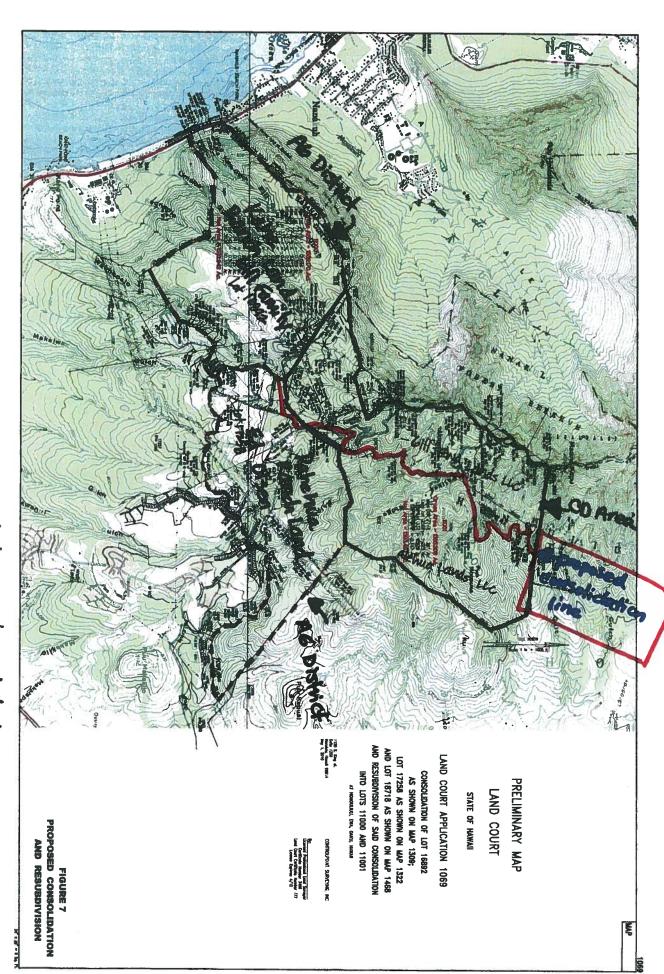


Exhibit 2: Proposed Consolidation/Resubdivision Line